



Bureau of Labor Statistics

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Internet address: <http://stats.bls.gov/ro3news.htm>

INFORMATION: Gerald Perrins
(215) 597-3282

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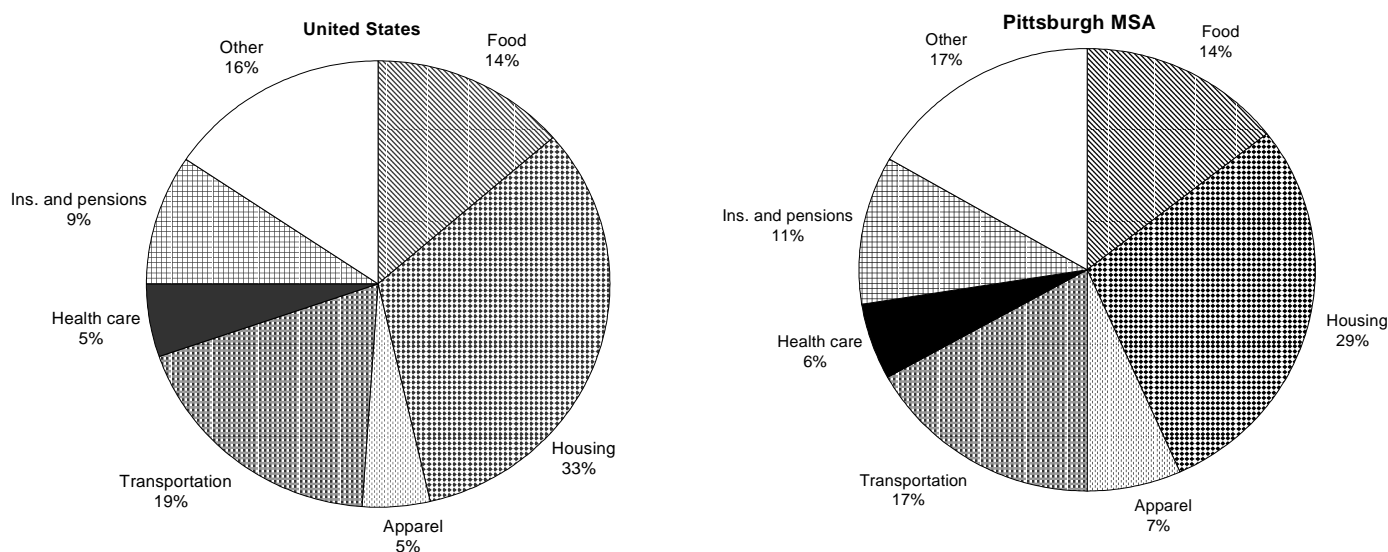
MEDIA CONTACT: Alan Paisner
(215) 861-5600

CONSUMER EXPENDITURE SURVEY: PITTSBURGH METROPOLITAN AREA 1998-99

Consumer units¹ in the Pittsburgh, Pennsylvania, Metropolitan Statistical Area (MSA) spent an average of \$34,517 per year in 1998-99, almost 5 percent less than the national average, according to the latest results from the Bureau of Labor Statistics Consumer Expenditure Survey. Pittsburgh area consumers spent 36.5 percent more for apparel and services and 22.4 percent more for cash contributions than did households nationwide. However, out-of-pocket expenses in Pittsburgh for entertainment and education were among the lowest for metropolitan areas in the Northeast that were included in the survey. (See table 1. Geographical boundaries of regions and areas referenced in this release are contained in the technical note.)

A household in Pittsburgh spent a smaller share of its total budget for food, housing, and transportation (60.1 percent) than the average U.S. household (65.1 percent). (See table 2.) The percentage of Pittsburgh's budget spent on these items was also lower than in the three other selected metropolitan areas in the Northeast—New York, Philadelphia and Boston.

Chart A. Percent distribution of total average expenditures, United States and Pittsburgh MSA, 1998-99



"Other" includes alcoholic beverages, personal care, reading, education, tobacco & supplies, entertainment, miscellaneous goods and services, and cash contributions.

Note: Figures in this chart may not add to 100 percent due to rounding.

¹ See the glossary for a definition of a consumer unit. The terms consumer unit and household are used interchangeably throughout the text for convenience.

This report contains annual data averaged over a two-year period, 1998 and 1999. The data are from the Consumer Expenditure Survey (CEX), which is conducted on an ongoing basis by the Bureau of Labor Statistics (BLS). The Bureau of the Census collects the survey data for BLS. The CEX is the only national survey that provides both complete data on household expenditures and the demographic characteristics of those households. Survey data cannot be used to make cost of living comparisons between areas. Expenditures vary among areas not only because of economic factors such as the price of goods and services and family income, but also because of differences such as the age of the population, climate, consumer tastes, family size, etc. The survey provides average expenditures for consumer units. An individual consumer unit may spend more or less than the average, depending on its particular characteristics.

On average, spending on housing accounted for 28.9 percent of total household expenditures in the Pittsburgh area. Pittsburgh's proportion of expenditures for housing was the lowest of the metropolitan areas in the Northeast region. The other three areas in the Northeast spent more than 36 percent of their budgets on housing. Nationally, households spent 32.7 percent on housing in the 1998-99 period. The majority (49.5 percent) of housing expenditures in Pittsburgh went for shelter, which includes mortgage interest, property taxes, repairs, and rent, among other items. Over 24 percent of total housing expenditures went for utilities, fuels, and services. The expenditure share for shelter was considerably lower than the national average, while the share for utilities, fuels, and services was higher. The rate of homeownership in Pittsburgh, at 68 percent, was slightly higher than the national average of 65 percent.

Transportation was the second largest expenditure category in the Pittsburgh area, accounting for 16.8 percent of a household's budget, compared to 18.8 percent for the nation. Pittsburgh's proportion of expenditures for transportation was higher than any of the metropolitan areas in the Northeast region except Philadelphia. Of the \$5,795 annual expenditure on transportation in Pittsburgh, 95 percent was spent buying and maintaining private vehicles with the remainder going for public transportation. These expenditure ratios are quite similar to those for the nation. The average number of vehicles per household in Pittsburgh was 1.8, the same as in Philadelphia, and close to the national average of 1.9 vehicles. In the other two areas in the Northeast the ratio of vehicles per household was lower, with Boston averaging 1.6 vehicles and New York, 1.4.

Pittsburgh consumers spent 14.4 percent of their budget on food, close to the share spent by households in New York. Households in Boston and Philadelphia spent well under 14 percent of their budget on food. Pittsburgh households spent 56 percent on food prepared and eaten at home compared to 58 percent by households nationwide. The remaining 44 percent was spent on food prepared away from home, such as restaurant meals, carry-outs, board at school, and catered affairs.

Payments for personal insurance and pensions accounted for 10.7 percent of the typical Pittsburgh household budget, the highest proportion among the Northeast metropolitan areas in the survey. Pittsburgh was also the only area in the region to exceed the nationwide average of 9.4 percent.

Spending on apparel and related services accounted for 6.8 percent of total expenditures in Pittsburgh. This was above the 4.7 percent national average and higher than the share spent on clothing in the other Northeastern metropolitan areas in this survey. Households in Boston and Philadelphia spent a smaller proportion of their budget on clothing than did households nationwide—4.3 and 3.6 percent, respectively.

The average Pittsburgh household spent 5.6 percent of its budget covering out-of-pocket medical expenses—health insurance premiums, medical services, drugs (prescription and nonprescription) and medical supplies. This proportion was above the nationwide average (5.3 percent) and higher than the share spent by any of the other selected metropolitan areas in the Northeast region, which were all below that for the nation.

Pittsburgh area consumers spent 4.7 percent of their budgets on entertainment, comparable with expenditure shares in New York and Boston. Entertainment costs accounted for 4.3 percent of a Philadelphia household's budget, lowest in the Northeast and well below the 5.1 percent share spent nationally.

Cash contributions accounted for 4.1 percent of consumer spending in Pittsburgh, above the 3.2 percent national average. Pittsburgh was the only area in the Northeast which had an expenditure share higher than that for the nation. The percentage spent in the other areas in the region ranged from 2.3 in New York to 3.0 in Boston.

Regional spending

Average annual expenditures for consumer units in the four Census regions of the country varied widely in 1998-99 ranging from \$40,662 in the West to \$33,147 in the South. The share of total expenditures spent on each of the major categories varied as well, though two, housing and transportation, did account for more than half of all spending in each of the four regions. (See table A.) Consumer units in the South spent a smaller share (31.1 percent) of their total expenditures on housing. Households in the Midwest followed closely behind, spending 31.7 percent of their total expenditures on housing. The Northeast registered the highest share of spending at 34.8 percent, followed by the West at 33.8 percent.

Transportation expenditures accounted for a larger share (20.3 percent) of total household spending in the South than in the other regions. The transportation share of total expenses accounted for 17.1 percent of total spending in the Northeast, 18.3 percent in the West, and 18.7 percent in the Midwest. In general, Southern and Midwestern consumer units had more similar spending habits, while households in the Northeast and West were closer in their expenditure choices.

Table A. Selected average expenditures and component shares for all consumer units, by region of residence, 1998-99

	Northeast	Share of total	South	Share of total	Midwest	Share of total	West	Share of total
Average annual expenditures	\$37,971	100.0	\$33,147	100.0	\$35,369	100.0	\$40,662	100.0
Food	5,314	14.0	4,533	13.7	4,802	13.6	5,312	13.1
Food away from home	2,313	6.1	1,873	5.7	2,069	5.8	2,180	5.4
Housing	13,229	34.8	10,303	31.1	11,196	31.7	13,757	33.8
Shelter	8,149	21.5	5,467	16.5	6,270	17.7	8,516	20.9
Utilities, fuels, & public service	2,457	6.5	2,482	7.5	2,401	6.8	2,179	5.4
Transportation	6,503	17.1	6,738	20.3	6,617	18.7	7,423	18.3
Apparel and services	1,831	4.8	1,610	4.9	1,607	4.5	1,863	4.6
Health care	1,788	4.7	1,971	5.9	2,048	5.8	1,869	4.6
Personal insurance and pensions	3,461	9.1	3,048	9.2	3,355	9.5	3,990	9.8

Additional Data Available

Data tables are available for the four Census regions and for the national average. These tables may be obtained from the Bureau's automated Fax-on-Demand service. See below. Additional tables are offered under the heading "*Tables*" on the BLS Internet site (<http://stats.bls.gov/csxhome.htm>).

BLS Fax-on-Demand - Philadelphia (215) 597-4153	Number of pages	Document no.
Consumer Expenditures in 1999 - national news release (annual)	2	2705
CEX expenditure data -		
By quintiles of income before taxes (Table 1)	4	2710
By income before taxes (Table 2)	4	2715
By age of reference person (Table 3)	4	2720
By size of consumer unit (Table 4)	4	2725
By composition of consumer unit (Table 5)	4	2730
By number of earners (Table 6)	4	2735
By housing tenure, race, Hispanic origin, and type of area - urban or rural (Table 7)	4	2740
By region of residence (Table 8)	4	2745
By occupation of reference person (Table 9)	4	2750
By education of reference person (Table 10)	4	2760

Technical Note

The current Consumer Expenditure Survey program began in 1980. Its principal objective is to collect information on the buying habits of American consumers. The consumer expenditure data are used in a wide variety of research by government, business, labor, and academic analysts. The data are also required for periodic revision of the Consumer Price Index (CPI).

The survey consists of two components: A Diary or recordkeeping survey completed by participating consumer units for two consecutive 1-week periods, and an Interview survey in which the expenditures of consumer units are obtained in five interviews conducted every 3 months. The data presented in this release are based on integrated data from both surveys.

The metropolitan statistical areas covered by the Consumer Expenditure Survey represent areas designated by the U.S. Office of Management and Budget and are based on definitions in effect as of December 1992. Due to a change in sampling frame and in area definitions, local data for the 1998-99 period are not directly comparable to data prior to 1996. The following are definitions of the areas discussed in this release:

Geographic Boundaries:

Northeast Census Region: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

South Census Region: Alabama, Arkansas, Delaware, District of Columbia, Florida,

Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

Midwest Census Region: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

West Census Region: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

Geographic Boundaries: (continued)

Philadelphia-Wilmington-Atlantic City, PA-DE-NJ-MD CMSA includes Bucks, Chester, Delaware, Montgomery and Philadelphia counties in PA, Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester and Salem counties in NJ, New Castle County in DE and Cecil county in MD.

New York-Northern New Jersey-Long Island, NY-NJ-CT-PA CMSA includes Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk and Westchester counties in NY, Bergen, Essex, Hudson, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, Union and Warren counties in NJ, Fairfield, Litchfield, Middlesex and New Haven counties in CT, and Pike county in PA.

Boston-Worcester-Lawrence, MA-NH-ME-CT CMSA includes Bristol, Essex, Hampden, Middlesex, Norfolk, Plymouth, Suffolk and Worcester counties in MA, Hillsborough, Merrimack, Rockingham and Strafford counties in NH, York county in ME and Windham county in CT.

Pittsburgh, PA MSA includes Allegheny, Beaver, Butler, Fayette, Washington and Westmoreland counties in PA.

Definitions

Consumer unit A single person living alone or sharing a household with others but who is financially independent; members of a household related by blood, marriage, adoption, or other legal arrangement; or two or more persons living together who share responsibility for at least 2 out of 3 major types of expenses - food, housing, and other expenses. The terms household or consumer unit are used interchangeably for convenience.

Complete income reporter In general, a consumer unit that provides values for at least one of the major sources of its income such as wages and salaries, self-employment income, or Social Security income. Even complete income reporters may not have provided a full accounting of all income from all sources.

Table 1. Average annual expenditures and characteristics of all consumer units, U.S. average and selected Northeastern metropolitan statistical areas, Consumer Expenditure Survey, 1998-99

Item	United States Average	New York	Philadelphia	Boston	Pittsburgh
Income before taxes 1/	\$42,770	\$55,680	\$48,442	\$51,409	\$36,860
Age of reference person	47.8	48.3	49.9	46.9	52.2
Earners	1.3	1.4	1.4	1.4	1.2
Vehicles	1.9	1.4	1.8	1.6	1.8
Percent homeowner	65	53	73	62	68
Average annual expenditures	\$36,267	\$44,016	\$40,149	\$39,286	\$34,517
Food	4,921	6,265	4,753	4,904	4,981
Food at home	2,848	3,374	2,596	2,486	2,803
Cereals and bakery products	437	525	381	382	465
Meats, poultry, fish, and eggs	736	983	768	659	715
Dairy products	312	375	291	285	331
Fruits and vegetables	486	628	474	508	447
Other food at home	877	863	681	653	846
Food away from home	2,073	2,891	2,157	2,417	2,177
Alcoholic beverages	313	405	350	519	280
Housing	11,843	16,180	14,783	14,611	9,992
Shelter	6,850	10,552	9,239	9,478	4,945
Owned dwellings	4,386	6,403	6,615	6,110	3,080
Rented dwellings	2,002	3,544	1,875	2,396	1,587
Other lodging	461	606	749	973	278
Utilities, fuels and services	2,391	2,592	2,841	2,419	2,426
Household operations	606	758	518	667	397
Housekeeping supplies	490	497	477	363	688
Household furnishings	1,506	1,781	1,709	1,684	1,535
Apparel and services	1,708	2,327	1,433	1,671	2,331
Transportation	6,815	6,972	7,896	6,312	5,795
Vehicle purchases (net outlay)	3,136	2,655	3,865	2,645	2,443
Gasoline and motor oil	1,036	877	869	923	862
Other vehicle expenses	2,230	2,523	2,706	2,143	2,184
Public transportation	413	917	457	600	307
Health care	1,931	1,863	1,781	1,686	1,932
Entertainment	1,844	2,007	1,721	1,937	1,631
Personal care	405	485	295	344	522
Reading	160	216	192	226	181
Education	607	975	1,088	1,252	467
Tobacco	287	304	260	292	296
Miscellaneous	874	943	928	711	993
Cash contributions	1,150	1,022	1,093	1,191	1,408
Personal insurance and pensions	3,409	4,052	3,576	3,631	3,710

1/ Components of income and taxes are derived from "complete income reporters" only; see definitions.

Table 2. Distribution of expenditures, U.S. average and selected Northeastern metropolitan statistical areas, Consumer Expenditure Survey, 1998-99

Item	United States Average	New York	Philadelphia	Boston	Pittsburgh
Average annual expenditures	\$36,267	\$44,016	\$40,149	\$39,286	\$34,517
Percent distribution:	100.0	100.0	100.0	100.0	100.0
Food	13.6	14.2	11.8	12.5	14.4
Food at home	7.9	7.7	6.5	6.3	8.1
Cereals and bakery products	1.2	1.2	0.9	1.0	1.3
Meats, poultry, fish, and eggs	2.0	2.2	1.9	1.7	2.1
Dairy products	0.9	0.9	0.7	0.7	1.0
Fruits and vegetables	1.3	1.4	1.2	1.3	1.3
Other food at home	2.4	2.0	1.7	1.7	2.5
Food away from home	5.7	6.6	5.4	6.2	6.3
Alcoholic beverages	0.9	0.9	0.9	1.3	0.8
Housing	32.7	36.8	36.8	37.2	28.9
Shelter	18.9	24.0	23.0	24.1	14.3
Owned dwellings	12.1	14.5	16.5	15.6	8.9
Rented dwellings	5.5	8.1	4.7	6.1	4.6
Other lodging	1.3	1.4	1.9	2.5	0.8
Utilities, fuels and services	6.6	5.9	7.1	6.2	7.0
Household operations	1.7	1.7	1.3	1.7	1.2
Housekeeping supplies	1.4	1.1	1.2	0.9	2.0
Household furnishings	4.2	4.0	4.3	4.3	4.4
Apparel and services	4.7	5.3	3.6	4.3	6.8
Transportation	18.8	15.8	19.7	16.1	16.8
Vehicle purchases (net outlay)	8.6	6.0	9.6	6.7	7.1
Gasoline and motor oil	2.9	2.0	2.2	2.3	2.5
Other vehicle expenses	6.1	5.7	6.7	5.5	6.3
Public transportation	1.1	2.1	1.1	1.5	0.9
Health care	5.3	4.2	4.4	4.3	5.6
Entertainment	5.1	4.6	4.3	4.9	4.7
Personal care	1.1	1.1	0.7	0.9	1.5
Reading	0.4	0.5	0.5	0.6	0.5
Education	1.7	2.2	2.7	3.2	1.4
Tobacco	0.8	0.7	0.6	0.7	0.9
Miscellaneous	2.4	2.1	2.3	1.8	2.9
Cash contributions	3.2	2.3	2.7	3.0	4.1
Personal insurance and pensions	9.4	9.2	8.9	9.2	10.7